



J. TYLER McCAULEY  
AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES  
DEPARTMENT OF AUDITOR-CONTROLLER**

KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET, ROOM 525  
LOS ANGELES, CALIFORNIA 90012-2766  
PHONE: (213) 974-8301 FAX: (213) 626-5427

May 29, 2003

TO: Supervisor Yvonne Brathwaite Burke, Chair  
Supervisor Gloria Molina  
Supervisor Zev Yaroslavsky  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

FROM: J. Tyler McCauley *tm*  
Auditor-Controller

SUBJECT: **CENTRALIZED CONTRACT MONITORING PILOT PROJECT STATUS  
REPORT**

On April 29, 2003, your Board directed the Auditor-Controller to establish a pilot project to test the merits of centralizing the County's contract monitoring function and to report to the Board by May 30, 2003 with the details of the pilot project and the resources required to proceed. The following are the actions my Department has taken to establish pilot projects in accordance with your Board's direction.

We selected three programs in the Department of Community and Senior Services, two programs each in the Departments of Public Social Services and Children and Family Services, and one program in the Department of Mental Health (Attachment 1). The programs were selected based on their significant funding levels and their use of multiple contractors to provide direct program services. Funding for some programs could be significantly reduced as a result of State budget decisions, and we may need to change the pilot programs if such curtailments occur.

We will assign 12 Auditor-Controller staff (8 Audit Division staff and 4 Children Services group home monitoring staff) to participate in the pilot project. We also anticipate each of the four departments assigning two program staff to the pilots. We do not anticipate needing any other additional resources at this time. Auditor-Controller staff will be made available by curtailing certain Auditor-Controller selected audits and group home reviews of homes with historically good records of providing contracted services for foster youth. Other department staff would come from existing monitoring or other contract related staff.

We will begin the pilot project July 1, 2003. The pilot will include reviewing contracts to determine their auditability and making recommendations for revisions as necessary. We will also develop specific monitoring approaches for the selected programs to include both fiscal and program operations and will perform a limited number of contractor reviews. We will issue periodic reports to your Board on the results of the pilot project. We will also identify the additional resources that will be needed to expand the pilot project to all contractors and programs, if the results of the pilot are as anticipated.

Please call me if you have any questions or have your staff contact Pat McMahon at (213) 974-0729.

JTM:PTM:DR:DC

Attachment

c: David E. Janssen, Chief Administrative Officer  
David Sanders, Ph.D., Director, Department of Children and Family Services  
Robert Ryans, Director, Department of Community and Senior Services  
Marvin J. Southard, DSW, Director, Department of Mental Health  
Bryce Yokomizo, Director, Department of Public Social Services  
Violet Varona-Lukens, Executive Officer  
Audit Committee  
Public Information Office

**CONTRACT MONITORING PILOT PROJECT**  
**SUMMARY OF PROGRAMS**

**Department of Public Social Services**

- **CalWORKS Stage 1 Child Care Program** - The CalWORKs Stage 1 Child Care program provides child care funding for the children of CalWORKS participants who are actively involved in some GAIN activity such as school, work or job search. The program consists of three stages. DPSS contracts with 14 Alternative Payment Providers (APPs) to administer and make payments to Stage 1, Stage 2, and Stage 3 service providers.

**Funding:** \$154 million

**Funding Source:** CalWORKs

**Contractors:** 14

**Monitors:** 4 staff

- **After School Enrichment Program** – The After School Enrichment program provides supervised after-school educational, recreational, and cultural programs for CalWORKs children from first to sixth grades whose parents are not aided, exempt or not participating in welfare-to-work activities. The program contracts with Los Angeles Unified School District (LAUSD) and Los Angeles County Office of Education (LACOE) to provide services at 234 school sites.

**Funding:** \$75 million

**Funding Source:** CalWORKs

**Contractors:** 27 (Includes both CBOs and School Districts)

**Monitors:** 2 staff

**Department of Community and Senior Services**

- **AAA Nutrition Program** – The Nutrition program provides meals to the senior population residing in Los Angeles County. Services include meals served at congregate meal sites (approximately 110 locations) and home delivered meals for homebound seniors.

**Funding:** \$9 million

**Funding Source:** California Department of Aging under the federal Older American Act.

**Contractors:** 23

**Monitors:** 6 staff

- **AAA Integrated Care Management** – The Integrated Care Management program provides services to functionally-impaired adults and older adults, age 18+ to enable them to maintain the optimum level of functioning in the least restrictive setting possible. The services also focus on reducing inappropriate institutionalization and the need for crisis-orientated services for the program participants.

**Funding:** \$5 million

**Funding Source:** Older Americans Act Title III, Adult Protective Services, Linkages Program (AB 2800), and Linkages Disabled Parking Violation Fees Account (AB764) funds.

**Contractors:** 25

**Monitors:** 6 staff

- **Refugee Immigrant Training and Employment Program (RITE)** – The RITE program provides job training to non-English and non-Spanish speaking CalWORKs recipients.

**Funding:** \$8 million

**Funding Source:** CalWORKs Single Allocation

**Contractors:** 14

**Monitors:** 2 staff

### **Department of Mental Health**

- **Early and Periodic Screening, Diagnosis and Treatment (EPSDT)** – The EPSDT program provides medically necessary services to full scope Medi-Cal eligible beneficiaries under 21 years of age to correct or ameliorate a physical or mental defect or a condition, even if the service is not included in the State's Medicaid Plan.

**Funding:** \$312 million (\$152 million EPSDT-FFP, \$149 million EPSDT-SGF, and \$11 million EPSDT Baseline)

**Funding Source:** 50% Title XIX Federal Financial Participation (FFP) funds and 50% State funds, specifically designated for this program.

**Contractors:** 93

**Monitors:** 6 staff

### **Department of Children and Family Services**

- **Independent Living Program (ILP)** – The ILP provides services to prepare and assist current and former foster care youth in the transition from foster care to living independently.

**Funding:** \$18 million

**Funding Source:** State of California General Fund Emancipated Youth Stipends

**Contractors:** 18

**Monitors:** 4 staff

- **Foster Family Agencies (FFAs)** - FFAs are contracted to recruit, certify, train and support foster family homes and to provide treatment and support services for DCFS children placed in these homes.

**Funding:** \$160 million

**Funding Source:** Federal AFDC – Foster Care, State, and County

**Contractors:** 96

**Monitors:** 4 staff